

**REAL ESTATE CONTRACTUAL FORMS ADVISORY COMMITTEE
MINUTES
SEPTEMBER 15, 2009**

PRESENT: Michael Holloway, Richard Hinsman, Kevin King, Jennifer McGinnity, Casey Clickner, Scott Minter and Peter Sveum

EXCUSED: Michael Gordon and Mary Pangman-Schmitt

STAFF: Yolanda McGowan, Bureau Director; Peggy Wichmann, Legal Counsel; Michelle Solem, Bureau Assistant

GUESTS: Secretary Jackson (Regulation and Licensing), Debbi Conrad (Wisconsin Realtors Association (WRA)), Cori Lamont (WRA) and Tracy Zucka (WRA)

CALL TO ORDER

Peter Sveum, Chair, called the meeting to order at 10:03 a.m. A quorum of seven (7) members was present.

ADOPTION OF AGENDA

MOTION: Kevin King moved, seconded by Casey Clickner, to approve the Agenda as published. Motion carried unanimously.

APPROVAL OF MINUTES (AUGUST 17, 2009)

MOTION: Casey Clickner moved, seconded by Richard Hinsman, to approve the Minutes of August 17, 2009 as published. Motion carried unanimously.

ADMINISTRATIVE REPORT

Yolanda McGowan told the Committee that we were going to try a new procedure for forms preparation. The Department is going to use the technology available to them to revise the forms during the meeting to allow everyone to see the changes live. This would help prevent misinterpretations of the conversations during the meeting. This will also allow the Committee to see the same thing at the same time and thus make changes quicker.

REVIEW OF OTHER CONTRACTUAL FORMS FOR REVISION

The Committee changed the WB-11. The changes have been incorporated into the attached WB-11.

The following changes were made to the WB-11

General Formatting Issues

- 1) All fonts should be Arial, including the line numbers and top of the form.
- 2) The approved language should only be on page 1 & the dates for the optional and mandatory use should be in bold (refer to the WB-1).
- 3) Add more space to the top of the form (refer to the WB-1) on page 1
- 4) Add a shadow box to WB-11 (refer to the 1999 WB-11)
- 5) Throughout the form, on the left-hand side of the page reduce the space between the line numbers and the words (refer to WB-1)
- 6) Throughout the form the side margins are too tight, should be .5 on left and right.
- 7) Add to the top of every odd page-
PROPERTY ADDRESS: _____ page 3 of 9, WB-11 (refer to 1999 WB-11)
- 8) As a side note for the final proof; line references for the additional provisions and addendum are not correct, they are off one.

Specific Line Formatting Issues

- Line 8 - Issue with the initial part of the blank line it's not the same.
- Line 15 extend the blank line to align with the rest.
- Line 31, should the reference to the open box in parens be shown after the word box? Should the word "offer" be in caps? Should "Box" be in caps?
- Line 42 - add periods to US or remove them from the other reference on that same line - they are inconsistent.
- Align the delivery lines on the right.
- In the 1999 WB-11 the boxes, e.g., general provisions had shadows, same for the 2009?
- There was much discussion regarding actual receipt. In the actual receipt definition: should 64-66 be in there? I thought this was removed. It was decided to remove the second part of the line.
- Line 67 - Add bold to the colon.
- Line 131 - Extend the blank to the end.
- Line 166 - Add space before the beginning of the brackets
- Line 167 - Insert space after the box.
- Line 177 - Remove the word days from deadlines?
- Lines 214-215 Add a space between the lines, the line is blurred into the box below.
- Line 247 remove bold the line references
- Lines 248, 249, 250, 251, extend those blank lines a little more so interest and years can be more easily inserted.
- Line 254 remove the underline from the word "in".
- Line 278 - fix the spacing after the box, so it's consistent with the others. Remove the box from the semicolon.
- Line 288 - extend the blank line space.
- Line 297 - remove bold from the semicolon
- Line 321 - bold the colon
- Line 325 - extend the line
- Lines 338-339 - align the lines on the right.
- Lines 383 & 387 - correct spacing between the section symbol and the number for consistency.
- Line 417- the box is too small.
- Line 420 - remove the bold from the beginning of the blank line.

Line 433- the black box is too small and bold the colon after the title
Line 440 - bold the colon and address spacing between 440 & 441.

All defined terms and Buyer, Seller, Party/Parties should have initial caps, as was done with the WB-1

Line 19 – the “(see lines 188-198)” should be in bold

Lines 55-56 – Actual Receipt is defined term so need initial caps

Lines 64-66: this is what the committee decided. An attempt was made to explain what would be actual receipt in an e-mail situation because this is relatively new and the statutes dealing with e-mail define receipt but not actual receipt (see below). Retrieve is when opens the e-mailed document. It may be wise to specify a similar standard for faxes: actual receipt means the document is taken from the fax machine.

Wis. Stat. § 137.23 Time and place of sending and receipt.

(2) Unless otherwise agreed between a sender and the recipient, an electronic record is received when:

- (a) It enters an information processing system that the recipient has designated or uses for the purpose of receiving electronic records or information of the type sent and from which the recipient is able to retrieve the electronic record; and
- (b) It is in a form capable of being processed by that system.

Line 85 – Capitalize Fixtures

Lines 89, 91 – Change to “Property”

Line 96 – Capitalize Property

Line 109 – remove “that”

Line 110 – remove “subject” and the comma after the word Property

Lines 145 & 147 – add Ch. (Wis. Admin. Code Ch. Comm. 67)

Lines 145 & 363: “if neither is stricken”

Lines 188 & 197: capitalize Fixture

Lines 199-213: Move to page 7

Lines 248 & 249 – insert colons after the bold headings (FIXED RATE FINANCING & ADJUSTABLE RATE FINANCING)

Line 258 – need an “s” at the end of the word “line” -- lines 238-239

Line 259 –the comma was to be placed after the word “if,” not after the word “contingency”

Line 260 – add a comma after the word “commitment” the first time it appears on that line

Line 268 – capitalize Actual Receipt

Line 420 – space between “of” and the blank line (after bolding removed)

Lines 420-421 – extend blank lines to fill out the lines and eliminate large white space at end of blank line

Lines 433, 435 & 436 – Capitalize Defects

Line 461 – extend the blank line out to the margin

Line 145 & 146 – add box around strike one

Time is of the essence should have a box around it.
Move “Sex Offender Notice”

REVIEW OF OTHER CONTRACTUAL FORMS FOR REVISION

The Committee reviewed and revised the WB-40, WB-41, WB-42, and WB-47. The following changes were made:

WB-40

- Add a rejection line to the bottom of the form after signatures.
- Add "X" in front of the signature lines
- Add space for Buyers and Sellers to print their name after their signatures.
- Remove Note to attach to offer
- Change Parens to Check Boxes

WB-41

- Include withdrawal warning
- Update delivery methods to be consistent with offer
- Include a "Giving Notice" signature line
- Remove Note to attach to offer
- Remove (1) and (2) but not the language associated with them.
- Change Parens to Check Boxes

WB-42

- Add caution – same as WB-41
- Remove Note to attach to offer
- Change Parens to Check Boxes
- Delete lines as necessary
- Remove the "X" from the Broker line

WB-47

- Change the title and sentence #1 to reflect the new form name
- Remove the "X" from the Broker line
- Remove Note to attach to offer

It is the goal of the Committee to have all of the forms listed above approved and effective the on the same day as the offer to purchase.

SCHEDULE FUTURE MEETING DATES

Next Meeting: November 4, 2009 – 10:00 – 12:1A (tentative)
January 7, 2010 – 10:00 - TBD

ADJOURNMENT

MOTION: Casey Clickner moved, seconded by Kevin King, to adjourn the meeting at 1:37 p.m. Motion carried unanimously.